

M A **MANAGED**
S S **ACCOUNT**
SOLUTIONS
STANDARDS



NEW MEMBER
INFORMATION KIT



NEW MEMBER INFORMATION KIT

Welcome to the Money Management Institute's Managed Account Solution Standards (MASS) Committee and Subcommittees for the Managed Account Solutions Standards. We greatly appreciate your participation. You will be helping move the Managed Account Solutions industry towards a standardized method of communicating information between organizations. This packet has been assembled to help you get assimilated to the structure of the committee and subcommittees and to make your participation easier.

What exactly is the MMI MASS Committee and what do they do?

The group is composed of individuals who are employed by MMI member firms and invited guests working together to provide industry definitions and a consistent electronic format that will enable industry participant firms to communicate with each other efficiently and effectively.

The effort started in the summer of 2001 after the MMI commissioned Deloitte & Touché to do a report on the status of the industry and its future growth potential. As expected, Deloitte's report predicted the industry was headed toward gridlock if the operational incompatibilities were not addressed. This finding was confirmed

by many firms who were already dealing with capacity constraints. Managers that are on multiple sponsor platforms are required to process from multiple differing forms and methods of delivery (website, e-mail, fax, paper) all for the exact same end result. The systems and processes are redundant, expensive, slow and manually intensive. Deloitte indicated that if the industry wanted to continue to grow at the predicted pace a more efficient method of communication needed to be found.

In response, the MMI created the MASS Committee. The first version of the data standards was published in 2002 with six messages focused on the account opening and termination processes. The second version was completed in 2005 expanding the message set to 23. These additional messages encompassed tax trading, restrictions, account changes, fees, and corporate actions. Version three was completed in 2007 making the messages compatible for multiple style portfolios or unified managed accounts. Additional work continues on messages associated with trading, billing, reconciliation, performance and model maintenance.

Currently the committee is actively working in conjunction with the DTCC and Citigroup effort on adoption and implementation. We also have a subcommittee focused on the marketing and education of the standards.

What is the time commitment?

In the spring of 2007 we restructured the Committee to a more decentralized structure. Prior to this the Committee would meet once a month for day-long sessions. The entire committee would work on all of the agenda items together. This was effective early on when the group was mostly defining business processes and focused on account origination and maintenance.

However, with our expanded mandate and scope, it was decided to restructure and we now accomplish most of our work through subcommittees and working groups focused on specific functions. This allows members to use their time wisely and participate where they feel they add the most value and their skills are best applied. Also, it is a more efficient use of members valuable time. Meetings are typically held by conference call for an hour or two on a monthly basis although occasionally a subcommittee may decide to meet more often. The full Standards Committee meeting, which includes all members, is held on a quarterly basis and lasts a few hours. The Steering Committee, which is made up of all the co-chairs from each subcommittee, meets by conference call on a monthly basis for up to two hours.

Who is currently participating?

We have now and continue to need a wide variety of skills and backgrounds. Currently there are approximately 102 individuals representing 50 different firms. Participating firms include managers, sponsors, service providers, vendors, and consultants. The background and skills of the individuals include technical, operations, leadership, writing, and organizational. They also represent all levels of corporate positions from President to staff.

What is my role and how do I participate?

Each member of the MASS Committee volunteers for a subcommittee since this is where most of the work is performed. In addition to the subcommittee meeting, the members are expected to attend the quarterly MASS Committee meetings in order for your firm to maintain a “good standing” status. The “good standing” status allows your firm to vote on issues during the MASS Committee meetings. If you let the Chairs know in advance that you will not be able to attend due to a conflicting commitment the absence is excused. Missing two consecutive meetings (or three with one excused absence) forfeits your firm’s right to vote. Reinstatement is pretty simple. Attend two consecutive meetings and your firm gets to vote again. All of the details are available regarding the rules, regulations and governance of the committee are available on the MMI Data Standards Governance website. The address for the website is provided at the end of this document.

What if I want a more active role?

The number of subcommittees you may participate on is limited only by your own availability. Many participants serve on multiple committees. Being co-chair of a committee is voluntary and open to the whole group. Anyone interested in becoming a co-chair for a subcommittee needs only to let one of the co-chairs of the Operations and Communications Standards Committee or Gary Jones know. Currently the co-chairs are Gib Veconi and Hanna Salvatore. There is no term limit for a subcommittee co-chair position, but the positions generally turn over at a fairly regular pace due to the commitments and constraints of our day jobs. Only the co-chair position for the MASS Committee has a term limit of 2 years with a staggered rotation. Contact Information for all the co-chairs is listed in the back of this document.

What are the different subcommittees?

There are currently six subcommittees (and/or their working groups) for which you may volunteer as listed below. Please select the group where you feel you can

add the most value. If you need assistance in making a selection, please contact any of the co-chairs or Gary Jones and they can also provide more information. You may also want to sit in on meetings where you may be interested to see how the group functions and the work they are getting done. Again, there is no limit to the number of subcommittees you may participate on. The more the merrier!

The Subcommittees and Working Groups

- **Account Origination and Maintenance**
 - ◆ Technical Working Group
 - ◆ Routing Working Group
- **Publications, Marketing & Education**
- **Billing**
- **Reconciliation**
- **Trading**
- **Models Maintenance**

There is also the Steering subcommittee which is comprised solely of the co-chairs of each of the subcommittees listed above.

The MMI MASS Co-Chairs are Hanna Salvatore, Mainstay Investments and Gib Veconi, Peridrome Corp.

What is the mission and/or the goals for each Subcommittee?

Account Origination and Maintenance

Co-Chairs: Heeren Pathak, Vestmark and Hanna Salvatore, New York Life Investment Management

Mission & Goals

To create communication standards for account origination and maintenance messages. To establish repository and baseline for schema artifacts

✦ *Working Groups*

Technical Working Group

Co-Chairs: Heeren Pathak and James Penman, Penman Consulting

Mission & Goals

To define the technical specifications associated with the Account origination and maintenance messages. Most members of the Technical Working Group have experience with the management, deployment, or implementation of software applications.

Routing Working Group

Co-Chairs: Brett Ginter, SMART Consulting

Mission & Goals

To define a model for routing messages in a secure, auditable manner across potentially multiple services providers. Most members of the group have experience with the management, deployment, or implementation of networking technologies.

Publications, Marketing & Education

Co-Chairs: Liz Conklin, Urdang Consulting and Kristine Slamka, R.W. Baird & Co.

Mission & Goals

To promote industry awareness of the work accomplished by the Operations and Communications Standards Committee. Help educate the industry on the implementation and adoption of the Standards. Promote membership and participation of the Standards Committee. Implement tools to foster the efficiency of the Subcommittees. The Committee is also responsible for defining and enforcing content and format standards for the Standards Committee's publications.

Billing

Co-Chairs: Stephen Boyle, JPMorgan Chase and Seth Johnson, Redi2 Technologies

Mission & Goals

Create communication standards for compensation of fee and commission processing of investment products between industry participants. Define a strategy for the creation and implementation of a technical protocol once the business definitions are complete.

Reconciliation

Co-Chairs: Cheryl Cohen, Boston Data Financial Services and Brett Ginter, SMART Consulting Group Inc.

Mission & Goals

To create communication standards for reconciling fee based investment products.

Trading

Co-Chairs: Steve Camp, JP Morgan Chase and Nick Nickitas, FIX Flyer LLC

Mission & Goals

Create communication standards for trading fee based investment products.

Model Maintenance

Co-Chair: Renee Bowen, AdvisorPort and Richard Kaufman, Delaware Investments

Mission & Goals

Map current business practices and participant roles and include definitions of the roles along with responsibilities. Identify and define the message cycles and content currently being used. Consider legal and regulatory issues as it relates to current and/or proposed practices.

I've heard DTCC and Citigroup are working on the Standards, where do they fit in?

DTCC and Citigroup (Smith Barney's Consulting Group and Global Transaction Services) along with some of the industry's service providers are working together to facilitate a rollout and utilization of a service called Managed Accounts Service (MAS). This project will be the first implementation of the standards. The DTCC service enables sponsors and investment managers to communicate business notifications via a centralized, standardized platform. MAS functions as a messaging router and repository, acting as a central messaging gateway between Sponsors and IMs.

Is anyone else participating in this effort?

Yes! As of October 2007, seven investment managers firms are working in the

DTCC test environment, along with four outsourcers and nine vendors.

Sounds like everyone will have to go through DTCC.

The DTCC has been an active member of the MMI and the standards effort for a number of years. Their contribution to the effort has been substantial and continues as they are the charter client to the messages defined by this committee. The DTCC MAS service will make it more efficient by acting as a centralized messaging center and providing the services that DTCC has become known for throughout the financial services industry. The MMI standards effort is an open industry standard that has been made available to all firms equally. The MMI has no ability to require anyone to use the standards in any particular way including going through DTCC's utility. At this time we are not aware of any other providers offering a similar service.

Additional Resources

The following websites may be useful in learning more about the Data Standards and the Committee.

The Money Management Institute

www.mminst.org

Executive Overview on the Standards

<http://www.mminst.org/downloads/2007/08/mmiovrwvfnl.pdf>

Governance Structure and Procedures

<http://www.mminst.org/downloads/2007/06/mmi-data-standards-governance.pdf>

Third Edition of the Data Standards

Plain English

<http://www.mminst.org/downloads/2007/06/3rd-edition-plain-english-standards.pdf>

Table Type Codes

<http://www.mminst.org/downloads/2007/06/3rd-edition-table-type-codes.pdf>

Matrix Table

<http://www.mminst.org/downloads/2007/06/3rd-edition-matrix-table.pdf>

Contact Information

Renee Bowen	<u>Rbowen@advisorport.com</u>
Stephen Boyle	<u>stephen.a.boyle@jpmorgan.com</u>
Steve Camp	<u>steven.e.camp@jpmchase.com</u>
Cheryl Cohen	<u>ccohen@statestreet.com</u>
Liz Conklin	<u>liz@westlakesconsulting.com</u>
Michelle Curley	<u>michelle.curley@citi.com</u>
Brett Ginter	<u>Brett@smartconsultingfirm.com</u>
Seth Johnson	<u>seth.johnson@redi2.com</u>
Gary Jones	<u>gjones@mminst.org</u>
Richard Kaufman	<u>rkaufman@delinvest.com</u>
Nick Nickitas	<u>nick@fixflyer.com</u>
Heeren Pathak	<u>hpathak@vestmark.com</u>
James Penman	<u>james.penman@penmanconsulting.us</u>
Hanna Salvatore	<u>Hanna_Salvatore@nylim.com</u>
Kristine Slamka	<u>kslamka@rwbaird.com</u>
Gib Veconi	<u>gib@peridrome.com</u>